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07/29

THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED: July 16, 2008 REPORT NO: 08-115

ATTENTION: Council President and City Council  
Docket of July 29, 2008

SUBJECT: Authorization of CDBG funds for code enforcement and FY 2009  
Reprogramming of Community Development Block Grant (CDBG)  
funds for Council Districts 3, 4, 6, 7, 8 and Citywide

REFERENCE:

REQUESTED ACTION:

I. Code Enforcement

- That, based on the determination made by the City's Community Development Block Grant [CDBG] Program staff regarding Neighborhood Code Compliance Division's [NCCD's] compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c), as stated in Report to the City Council No. \_\_\_\_\_, a copy of which is on file with the Office of the City Clerk as Document No. \_\_\_\_\_, the City Council hereby finds that NCCD is in compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c):
  - a. the code enforcement activities conducted by NCCD relate to inspections for state and/or local code violations, and the enforcement of such codes;
  - b. such code enforcement activities are conducted by NCCD in "deteriorating" or "deteriorated" areas, as defined by NCCD; and
  - c. such code enforcement activities are conducted by NCCD together with public or private improvements, rehabilitation, or services to be provided, which, when taken together, may be expected to arrest the decline of each defined deteriorating or deteriorated area.
- Authorize the City Comptroller to appropriate CDBG revenues and expenses in the amount of \$224,943 (fund 100/dept 75) for code enforcement activities conducted by NCCD, including the allocations under Resolution No. R-303662 and any other allocations of CDBG funds made to NCCD by the City Council and/or the Mayor in

any subsequent reprogramming of CDBG funds in FY 2009, contingent upon the approval of the FY09 appropriation ordinance.

## II. Reprogramming of CDBG funds

- Approve the reprogramming of CDBG funds for Council Districts 3, 4, 6, 7, 8 and Citywide, set forth in Report to the City Council No. \_\_\_\_\_, a copy of which is on file with the Office of the City Clerk as Document No. RR-\_\_\_\_\_, contingent upon certification of funds availability by the City Auditor and Comptroller.
- Authorize the Mayor or his designee to negotiate and execute agreements with those CDBG projects approved for funding, contingent upon certification of funds availability by the City Auditor and Comptroller.
- Authorize the City Comptroller to appropriate and expend the CDBG funds for the CDBG projects approved for funding.

STAFF RECOMMENDATION: Adopt the requested actions.

### SUMMARY:

#### I. Code Enforcement:

When the FY 2009 CDBG allocations were being presented to City Council for approval on May 6, 2008, City staff was directed to return to City Council in July 2008 to provide confirmation that code enforcement activities conducted by the Neighborhood Code Compliance Division utilizing CDBG funds is in compliance with the CDBG eligibility requirements set forth in 24 CFR 570.202(c). Subsequent to that meeting, the City of San Diego CDBG Program negotiated an MOU with NCCD that met the CDBG eligibility requirements and included a Statement of Work that addresses each of the following:

- a. the code enforcement activities conducted by NCCD relate to inspections for state and/or local code violations, and the enforcement of such codes;
- b. such code enforcement activities are conducted by NCCD in "deteriorating" or "deteriorated" areas, as defined by NCCD; and
- c. such code enforcement activities are conducted by NCCD together with public or private improvements, rehabilitation, or services to be provided, which, when taken together, may be expected to arrest the decline of each defined deteriorating or deteriorated area.

Based on the details specified by NCCD, the CDBG Program has determined that NCCD's administration of the proposed activities listed in the Statement of Work is in compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c).

## II. CDBG Reprogramming:

Each fiscal year, the City submits an Action Plan to HUD that includes information on the proposed CDBG allocations based on CDBG Applications received by the City. The FY 2009 CDBG allocations were approved by City Council on May 6, 2008 (R-303662).

The CDBG reprogramming process serves the purpose of making routine amendments to the Action Plan that will incorporate any changes to the allocations listed in the Action Plan approved by HUD. Some changes may be the result of cancelled projects, project savings, pending projects, utilization of reserve amounts, or a change in City priorities. This initial proposed FY 2009 CDBG reprogramming also includes changes that ensures compliance with the revised Council Policy 700-02 "Community Development Block Grant Program".

In January 2008, Council Policy 700-02 was revised to include the following:

- No allocation of CDBG funds will be made to a project for which a CDBG application has not been received by the City.
- No allocation of CDBG funds will be made to a project of less than \$25,000, unless funding at a lesser amount is necessary to complete a project.
- A Community-Based Development Organization (CBDO) certification process will be conducted in an effort to fund eligible project activities, as defined in the applicable U.S. Department of Housing and Urban Development regulations.
- No allocation of CDBG funds will be made to a subrecipient project in the category of "Planning", except for those subrecipients certified by the City as a Community Based Development Organization.
- All CDBG applicants shall attend mandatory workshops hosted by City staff during the annual CDBG application period.
- All CDBG funds allocated to projects shall be used within three years of the date of the allocation, or such funds are subject to being reprogrammed by the City Council.

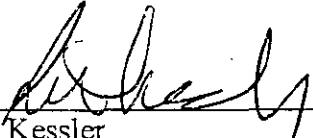
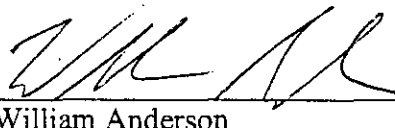
This action will reprogram CDBG funds for Council Districts 3, 4, 6, 7, 8 and Citywide. All CDBG transfers listed in **Attachment 1** are reprogrammed at the request of the respective Council member from each district and the Mayor.

FISCAL CONSIDERATIONS: There is no impact to the General Fund from this action. Funds are available from the City of San Diego's Community Development Block Grant Entitlement – Fiscal Year 2009, Program Year 34.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: FY 2009 CDBG Allocation; Council Action: May 6, 2008.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: This reprogramming of CDBG funds was noticed in the San Diego Union Tribune newspaper on Saturday, June 21, 2008. The information was also posted on the City of San Diego's website ([www.sandiego.gov/cdbg](http://www.sandiego.gov/cdbg)).

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Residents of low and moderate income communities, community-based organizations, community planning groups, and other community development organizations. In addition, the agencies and reserve accounts mentioned in the list of reprogrammed projects (**Attachment 1**) would be impacted.

  
\_\_\_\_\_  
Scott Kessler  
Deputy Director  
Economic Development Division  
\_\_\_\_\_  
William Anderson  
Deputy Chief Operating Officer  
City Planning and Development

**CITY OF SAN DIEGO**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**FISCAL YEAR 2009 (July 1, 2008 to June 30, 2009)**  
**ACTION PLAN AMENDMENTS**

**PROPOSED ACTION:**

City of San Diego Council Districts 3, 4, 6, 7, 8 and City Wide are planning to reprogram the following CDBG allocations:

**District 3:**

<b>From:</b>			<b>To:</b>		
Dept/Org	Project	Amount	Dept/Org	Project	Amount
4396/9603	Council District 3 CDBG Fund Reserves	\$175,000	New Project	San Diego LGBT Center - Sunburst Building Improvements	\$100,000
4364/6408	City Heights CDC - Cooperation Enterprise	\$25,000	New Project	Girl Scouts San Diego-Imperial Council, Inc. - The Adventure Zone	\$25,000
			New Project	SVDP Management, Inc. (dba. Father Joe's Villages) - Josue Homes Improvements	\$25,000
			4382/8225	San Diego Second Chance - Second Chance Community Resource Center	\$25,000
			4364/6407	City Heights CDC - Building Bridges for CHANGE	\$25,000
Subtotal		\$200,000	Subtotal		\$200,000

**District 4:**

<b>From:</b>			<b>To:</b>		
Dept/Org	Project	Amount	Dept/Org	Project	Amount
4396/9604	Council District 4 CDBG Fund Reserves	\$50,000	New Project	City County Reinvestment Task Force - Land Bank	\$25,000
			New Project	St. Stephens Interdenominational Alliance -Decent, Affordable, Suitable Living Opportunities	\$25,000
Subtotal		\$50,000	Subtotal		\$50,000

**District 6:**

<b>From:</b>			<b>To:</b>		
Dept/Org	Project	Amount	Dept/Org	Project	Amount
4396/9606	Council District 6 CDBG Fund Reserves	\$224,943	New Project	City of San Diego, Neighborhood Code Compliance - Pro-Active Code Enforcement - D6	\$224,943
Subtotal		\$224,943	Subtotal		\$224,943

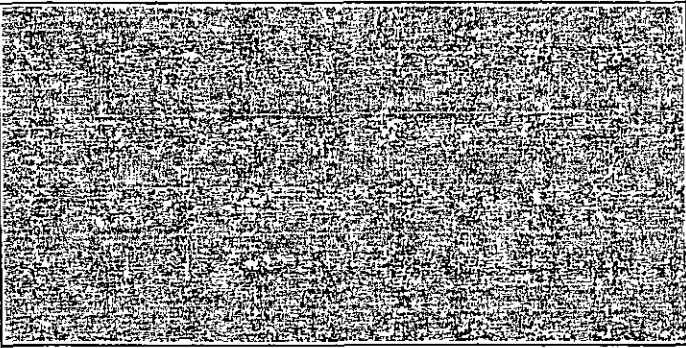
**District 7:**

From:			To:		
Dept/Org	Project	Amount	Dept/Org	Project	Amount
4362/6202	Alpha Project – Tree Planting	\$10,086	4362/6201	Alpha Project – Alpha House	\$10,086
4382/8201	Alliance for African Assistance – Crossroads Redevelopment District Bldg; Rehabilitation & ADA Compliance	\$3,000	4382/8201	Alliance for African Assistance – Installation of a New Backflow Device	\$3,000
Subtotal		\$13,086	Subtotal		\$13,086

**District 8:**

From:			To:		
Dept/Org	Project	Amount	Dept/Org	Project	Amount
4382/8226	South San Diego Planning and Education Project – Mural Program	\$100,000	New Project	City of San Diego, Redevelopment Agency – Barrio Logan Home Rehabilitation	\$100,000
Subtotal		\$100,000	Subtotal		\$100,000

**City Wide:**

From:			To:		
Dept/Org	Project	Amount	Dept/Org	Project	Amount
4396/9609	City Wide Reserves	\$135,000	New Project	Southwestern Community College District – Job Creation for Microenterprise	\$30,000
4360/6003	FY2008 CDBG Administration	\$35,000	New Project	Neil Good Day Center – Tenant Improvements	\$76,159
4380/8007	Engineering and Capital Projects – Administration/Deliverables	\$50,432	New Project	Neil Good Day Center – Public Service	\$38,841
			New Project	City of San Diego, Family Justice Center - San Diego Family Justice Center Improvements	\$25,000
			4382/8211	City of San Diego, Engineering and Capital Projects – Project/Construction Management and Deliverables	\$50,432
Subtotal		\$220,432	Subtotal		\$220,432

<b>Grand Total</b>	<b>\$808,461</b>	<b>Grand Total</b>	<b>\$808,461</b>
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New Projects will be assigned a Dept/Org upon Council approval of reprogramming allocations.

000729

## REQUEST FOR COUNCIL ACTION

CITY OF SAN DIEGO

1. CERTIFICATE NUMBER  
(FOR AUDITOR'S USE ONLY)  
110

TO:

CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):

CITY PLANNING &amp; COMMUNITY INVESTMENT

3. DATE:

7/11/2008

110

07/29

4. SUBJECT: AUTHORIZATION OF CDBG FUNDS FOR CODE ENFORCEMENT AND

FY 2009 REPROGRAMMING OF CDBG FUNDS FOR COUNCIL DISTRICTS 3, 4, 6, 7, 8 &amp; CITYWIDE

5. PRIMARY CONTACT (NAME, PHONE, &amp; MAIL STA.)

Scott Kessler MS 56D. 236-6421

6. SECONDARY CONTACT (NAME, PHONE, &amp; MAIL STA.)

Angela Nazareno MS 56D, 236-6944

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED



## 8. COMPLETE FOR ACCOUNTING PURPOSES

FUND					9. ADDITIONAL INFORMATION / ESTIMATED COST:
DEPT.					Fiscal Impact: There is a net zero impact to the General Fund from this action. Funds are available from the City of San Diego's Community Development Block Grant Entitlement - Fiscal Year 2009, Program Year 34.
ORGANIZATION					
OBJECT ACCOUNT					
JOB ORDER					
C.I.P. NUMBER					
AMOUNT					

## 10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	DEPUTY DIRECTOR	SCOTT KESSLER	7-11-08	8	DEPUTY CHIEF	WILLIAM ANDERSON	7/14/08
2	CDBG	ANGELA NAZARENO	7-11-08	9	COO	JAY GOLDSTONE	7/16/08
3	AUDITOR	FAYE HOWARD-HALL	7/15/08	10	CITY ATTORNEY	MICHAEL NEUMEYER	
4	CFO			11	ORIG. DEPT	SCOTT KESSLER	7-11-08
5	ENVIRONMENTAL REVIEW	MARTHA BLAKE	7/16/08		DOCKET COORD:	COUNCIL LIAISON	7-16-08
6	EOCP	BERYL RAYFORD			COUNCIL PRESIDENT	<input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION	
7	EM		7/16/08			<input type="checkbox"/> REFER TO: COUNCIL DATE: 7/28/08	

11. PREPARATION OF:

☒ RESOLUTIONS☐ ORDINANCE(S)☐ AGREEMENT(S)☐ DEED(S)

SEE ATTACHMENT A

11A. STAFF RECOMMENDATIONS:

Adopt the resolutions.

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): 3, 4, 6, 7, 8 &amp; CITYWIDE

COMMUNITY AREA(S): 3, 4, 6, 7, 8 &amp; CITYWIDE

ENVIRONMENTAL IMPACT: THIS ACTIVITY IS NOT A "PROJECT" AND IS THEREFORE NOT SUBJECT TO CEQA PURSUANT TO STATE CEQA GUIDELINES SECTION 15060(C)(3).

HOUSING IMPACT: NONE

OTHER ISSUES: NONE

I. Code Enforcement

1. That, based on the determination made by the City's Community Development Block Grant [CDBG] Program staff regarding Neighborhood Code Compliance Division's [NCCD's] compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c), as stated in Report to the City Council No. \_\_\_\_\_, a copy of which is on file with the Office of the City Clerk as Document No. \_\_\_\_\_, the City Council hereby finds that NCCD is in compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c):
  - a. the code enforcement activities conducted by NCCD relate to inspections for state and/or local code violations, and the enforcement of such codes;
  - b. such code enforcement activities are conducted by NCCD in "deteriorating" or "deteriorated" areas, as defined by NCCD; and
  - c. such code enforcement activities are conducted by NCCD together with public or private improvements, rehabilitation, or services to be provided, which, when taken together, may be expected to arrest the decline of each defined deteriorating or deteriorated area.
2. Authorize the City Comptroller to appropriate CDBG revenues and expenses in the amount of \$224,943 (fund 100/dept 75) for code enforcement activities conducted by NCCD, including the allocations under Resolution No. R-303662 and any other allocations of CDBG funds made to NCCD by the City Council and/or the Mayor in any subsequent reprogramming of CDBG funds in FY 2009, contingent upon the approval of the FY09 appropriation ordinance.

II. Reprogramming of CDBG funds

1. Approve the reprogramming of CDBG funds for Council Districts 3, 4, 6, 7, 8 and Citywide, set forth in Report to the City Council No. \_\_\_\_\_, a copy of which is on file with the Office of the City Clerk as Document No. RR-\_\_\_\_\_, contingent upon certification of funds availability by the City Comptroller.
2. Authorize the Mayor or his designee to negotiate and execute agreements with those CDBG projects approved for funding, contingent upon certification of funds availability by the City Comptroller.
3. Authorize the City Comptroller to appropriate and expend the CDBG funds for the CDBG projects approved for funding.



**EXECUTIVE SUMMARY SHEET**  
CITY OF SAN DIEGO

DATE ISSUED: \_\_\_\_\_ REPORT NO: \_\_\_\_\_  
ATTENTION: Council President and City Council  
ORIGINATING DEPARTMENT: City Planning & Community Investment  
SUBJECT: Authorization of CDBG funds for code enforcement and FY  
2009 Reprogramming of Community Development Block  
Grant (CDBG) funds for Council Districts 3, 4, 6, 7, 8 and  
Citywide  
COUNCIL DISTRICT(S): Council Districts 3, 4, 6, 7, 8 and Citywide  
CONTACT/PHONE NUMBER: Scott Kessler (619) 236-6421

**REQUESTED ACTIONS:**

- I. Code Enforcement
  - That, based on the determination made by the City's Community Development Block Grant [CDBG] Program staff regarding Neighborhood Code Compliance Division's [NCCD's] compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c), the City Council hereby finds that NCCD is in compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c).
  - Authorize the City Comptroller to appropriate CDBG revenues and expenses in the amount of \$224,943 (fund 100/dept 75) for code enforcement activities conducted by NCCD, including the allocations under Resolution No. R-303662 and any other allocations of CDBG funds made to NCCD by the City Council and/or the Mayor in any subsequent reprogramming of CDBG funds in FY 2009.
- II. Reprogramming of CDBG funds
  - Approve the reprogramming of CDBG funds for Council Districts 3, 4, 6, 7, 8 and Citywide.
  - Authorize the Mayor or his designee to negotiate and execute agreements with those CDBG projects approved for funding.
  - Authorize the City Auditor and Comptroller to appropriate and expend the CDBG funds for the CDBG projects approved for funding.

**STAFF RECOMMENDATIONS:**

Adopt the requested actions.

**SUMMARY:**

- I. On May 6, 2008, City staff was directed to return to City Council in July 2008 to provide confirmation that code enforcement activities conducted by the Neighborhood Code Compliance Division is in compliance with the CDBG eligibility requirements set forth in 24 CFR 570.202(c). Subsequent to that meeting, the City of San Diego CDBG Program negotiated an MOU with NCCD that met the CDBG eligibility requirements and included a Statement of Work that addresses each of the following:
  - a. the code enforcement activities conducted by NCCD relate to inspections for state and/or local code violations, and the enforcement of such codes;

- b. such code enforcement activities are conducted by NCCD in "deteriorating" or "deteriorated" areas, as defined by NCCD; and
- c. such code enforcement activities are conducted by NCCD together with public or private improvements, rehabilitation, or services to be provided, which, when taken together, may be expected to arrest the decline of each defined deteriorating or deteriorated area.

Based on the details specified by NCCD, the CDBG Program has determined that NCCD's administration of the proposed activities listed in the Statement of Work is in compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c).

- II. This action will reprogram CDBG funds for Council Districts 3, 4, 6, 7, 8 and Citywide. All CDBG transfers are reprogrammed at the request of the respective Council member from each district and the Mayor. Some changes may be the result of cancelled projects, project savings, pending projects, utilization of reserve amounts, or a change in City priorities. This initial proposed FY 2009 CDBG reprogramming also includes changes that ensures compliance with the revised Council Policy 700-02 "Community Development Block Grant Program".

FISCAL CONSIDERATIONS:

There is no impact to the General Fund from this action. Funds are available from the City of San Diego's Community Development Block Grant Entitlement – Fiscal Year 2009, Program Year 34.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

FY 2009 CDBG Allocation; Council Action: May 6, 2008.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

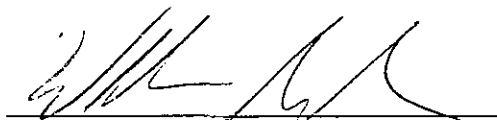
This reprogramming of CDBG funds was noticed in the San Diego Union Tribune newspaper on Saturday, June 21, 2008. The information was also posted on the City of San Diego's website ([www.sandiego.gov/cdbg](http://www.sandiego.gov/cdbg)).

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Residents of low and moderate income communities, community-based organizations, community planning groups, and other community development organizations. In addition, the agencies and reserve accounts mentioned in the list of reprogrammed projects would be impacted



Scott Kessler  
Deputy Director  
Economic Development Division



William Anderson  
Deputy Chief Operating Officer  
City Planning & Development

RESOLUTION NUMBER R-\_\_\_\_\_

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO  
AUTHORIZING THE EXPENDITURE OF COMMUNITY DEVELOPMENT  
BLOCK GRANT FUNDS FOR CODE ENFORCEMENT ACTIVITIES  
CONDUCTED BY THE NEIGHBORHOOD CODE COMPLIANCE  
DIVISION IN FISCAL YEAR 2009 AND APPROVING THE  
REPROGRAMMING OF COMMUNITY DEVELOPMENT BLOCK GRANT  
FUNDS.

WHEREAS, on May 6, 2008, the City Council adopted Resolution No. R-303662, in  
which the City Council, among other things:

a. authorized the City Auditor and Comptroller to accept CDBG funds in the  
amount of \$14,852,521 from the U.S. Department of Housing and Urban Development  
for the City's FY 2009 Community Development Block Grant [CDBG] Program;

b. approved the funding allocations and recommendations for the City's FY  
2009 CDBG Program, set forth in Report to the City Council No. 08-070, a copy of  
which is on file with the Office of the City Clerk as Document No. RR-303662, as  
modified in the resolution, including the following:

- i. an allocation by Council District 3 to the City of San Diego,  
Neighborhood Code Compliance Division [NCCD] in the amount of  
\$113,667.31 for Proactive Code Enforcement in Council District 3;
- ii. an allocation by Council District 4 to NCCD in the amount of  
\$100,000 for Proactive Code Enforcement in Council District 4;
- iii. an allocation by Council District 7 to NCCD in the amount of \$17,000  
for Proactive Code Enforcement in Council District 7; and

iv. an allocation by Council District 8 to NCCD in the amount of

\$100,000 for Proactive Code Enforcement in Council District 8;

c. authorized the City Auditor and Comptroller to appropriate and expend the CDBG funds for the Core City Priorities and those projects and programs approved for CDBG funding, except that such authority was not extended to the expenditure of CDBG funds in FY 2009 for code enforcement activities conducted by NCCD; and

d. directed City staff to return to the City Council in or before July 2008, at which time, the expenditure of CDBG funds in FY 2009 for code enforcement activities conducted by NCCD would be authorized upon a finding by the City Council that the City is in compliance with the CDBG eligibility requirements set forth in 24 CFR 570.202(c); NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That, based on the determination made by the City's Community Development Block Grant [CDBG] Program staff regarding Neighborhood Code Compliance Division's [NCCD's] compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c), as stated in Report to the City Council No. \_\_\_\_\_, a copy of which is on file with the Office of the City Clerk as Document No. RR-\_\_\_\_\_ [Report], the City Council hereby finds that NCCD is in compliance with the CDBG eligibility requirements for code enforcement activities set forth in 24 CFR 570.202(c).

2. That the reprogramming of CDBG funds for Council Districts 3, 4, 6, 7, 8, and Citywide, set forth in Attachment 1 to the Report, is hereby approved, contingent upon certification of funds availability by the City Comptroller.

3. That the Mayor or his designee is authorized to negotiate and execute agreements with those CDBG projects approved for funding, contingent upon certification of funds availability by the City Comptroller.

4. That the City Comptroller is authorized to appropriate and expend CDBG funds for code enforcement activities conducted by NCCD in FY 2009, including those allocations totaling \$330,667.31 to NCCD under Resolution No. R-303662, the allocation of \$224,943 (fund 100/dept 75) to NCCD under this resolution, and any other allocations of CDBG funds to NCCD by the City Council and/or the Mayor in any subsequent reprogramming of CDBG funds in FY 2009, contingent upon certification of funds availability by the City Comptroller and approval of the FY 2009 Appropriation Ordinance by the City Council and the Mayor.

5. That the City Comptroller is authorized to appropriate and expend CDBG funds for those CDBG projects approved for funding under this resolution, contingent upon certification of funds availability by the City Comptroller.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By

\_\_\_\_\_  
Michael D. Neumeyer  
Deputy City Attorney

MDN:nda  
07/22/08  
Or.Dept:City Planning & Comm. Invest.  
R-2009-94  
MMS#6530

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_.

ELIZABETH S. MALAND  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

**MEMORANDUM OF UNDERSTANDING BETWEEN  
ECONOMIC DEVELOPMENT DIVISION AND  
NEIGHBORHOOD CODE COMPLIANCE DIVISION  
REGARDING THE ADMINISTRATION OF  
THE CDBG PRO-ACTIVE CODE ENFORCEMENT PROJECT**

**I. Purpose**

The United States Department of Housing and Urban Development [HUD] has awarded Community Development Block Grant [CDBG] Entitlement funds to the City of San Diego on an annual basis. The City is the designated Recipient of the CDBG funds. As such, these funds are administered by the City of San Diego's Economic Development Division [EDD] of the City Planning & Community Investment [CP&CI] Department through the CDBG Program.

As part of the CDBG Program's internal control responsibilities, a Memorandum of Understanding [MOU] is hereby executed between EDD and Neighborhood Code Compliance Division [NCCD] as an identified CDBG Subrecipient for designated FY 2009 CDBG projects.

The intent of this MOU is to ensure that sufficient administrative systems are developed and maintained for all CDBG funds utilized directly (non-pass through) by NCCD. Its purpose is to form a working relationship between CDBG Program staff and NCCD staff.

This MOU sets out the responsibilities of all parties and identifies the work to be performed by NCCD staff and the CDBG Program staff.

**II. Responsibilities**

A general list of responsibilities follows:

**NEIGHBORHOOD CODE COMPLIANCE DIVISION RESPONSIBILITIES**

1. Ensure a designated contact person is assigned for each CDBG project in which NCCD will be incurring direct expenses in the provision of project services and/or activities, rather than entering into a contractual agreement with a community-based organization.
2. Develop and maintain a list of designated contact persons for all CDBG projects to be administered by NCCD. The original list, once developed, must be submitted to the CDBG Program Manager, as well as any subsequent revisions upon each occurrence.
3. Ensure all prescribed Federal and CDBG regulations applicable to the utilization of CDBG Entitlement funds, including HUD's Playing by the Rules handbook, are adhered to by all NCCD staff as applicable.
4. Ensure that the Statement of Work, attached hereto as **Attachment 1** and incorporated into this MOU by this reference, is adhered to in all respects.
5. Ensure that CEQA & NEPA environmental review documents, or documentation of exemption or exclusion, are obtained as applicable. These documents must be maintained on file and made available for review upon request.

6. Ensure timely execution of project services and/or activities and utilization of all CDBG funds awarded. If not utilized during the fiscal year of the allocation award, notification must be made to the CDBG Program with specific details and anticipated timelines.
7. Ensure appropriate systems are in place that NCCD can use to track the expenditures of each CDBG project administered by NCCD staff. Ensure appropriate and sufficient back-up documents (receipts, invoices, etc.) are maintained for five (5) years after closeout of the project. Ensure that a consistent and reasonable allocation system is maintained for all budgeted line items that are not 100% charged as a direct cost to the CDBG project. For Personnel expenses, documentation for fractionalized positions must reflect actual hours worked per funding source and not budgeted hours.
8. Ensure appropriate systems are in place that NCCD can use to track the status of each CDBG-eligible activity conducted by NCCD. Ensure quarterly performance reports are submitted to the CDBG Program by the specified deadlines as referenced in the CDBG "Schedule of Reports". All reports submitted must document compliance with HUD's requirements for Code Enforcement activities. All reports must also include substantive reporting of the project's progress in meeting the goals listed in the Statement of Work.
9. Ensure appropriate systems are in place that NCCD can use to conduct a year-end review process to document the closeout and compliance status for each CDBG project administered. Ensure year-end performance reports are prepared and that a copy of each report is forwarded to the CDBG Program Manager by the specified deadline as referenced in the CDBG "Schedule of Reports."
10. Ensure all documents maintained for each CDBG activity conducted are accessible for review during any audits conducted by the CDBG Program or other authorized parties designated by the CDBG program staff.
11. Ensure all CDBG project records and data are maintained for a period of not less than 5 years after submission of the final expenditure report for the associated fiscal year, or until all audit findings have been resolved, whichever is longest.

#### **ECONOMIC DEVELOPMENT DIVISION-CDBG PROGRAM RESPONSIBILITIES**

1. Ensure a list of approved CDBG allocations assigned to be administered by NCCD is provided prior to the beginning of each fiscal year. The document will list the designated eligible activity or activities approved by the City Council for each CDBG project administered.
2. Ensure copies of all prescribed Federal and CDBG regulations applicable to the management of CDBG Entitlement funds, including a copy of HUD's Playing by the Rules handbook, are provided or made accessible to the contact persons designated by NCCD for each CDBG project administered.
3. Provide training on any forms or reports required to be submitted to the CDBG Program, as needed.
4. Provide technical assistance on an "as needed basis" to NCCD's contact persons for clarification on any CDBG and other federal requirement(s).
5. Report year-end CDBG project accomplishments (performance measurements) and total expenditure amounts reported by NCCD to HUD, as required.
6. Conduct monitoring reviews on projects expending any CDBG funds by NCCD.



7. Coordinate any scheduled audits of any CDBG projects administered by NCCD.

ECONOMIC DEVELOPMENT DIVISION

By: \_\_\_\_\_

Scott Kessler  
Economic Development  
Deputy Director

Date: \_\_\_\_\_

7-22-08

NEIGHBORHOOD CODE COMPLIANCE  
DIVISION

By: \_\_\_\_\_

Robert Vacchi  
Neighborhood Code Compliance  
Deputy Director

Date: \_\_\_\_\_

7/23/08

## Statement of Work

The following Statement of Work describes the CDBG Code Enforcement activities within the City of San Diego for Fiscal Year 2009. In general, these pro-active activities are intended to supplement General Fund reactive code enforcement. The CDBG Pro-Active Code Enforcement Project [Project] is specifically targeted to arrest the decline of deteriorated and/or deteriorating neighborhoods. The Project will be closely monitored to ensure that pro-active enforcement is only applied within the defined deteriorated and/or deteriorating areas.

### I. Boundaries of CDBG Project Areas

- A. Eligible census tracts in **Council District 3** include: 9, 10, 11, 12, 13, 15, 16, 17, 18, 21, 22.01, 22.02, 23.01, 23.02, 24.01, 24.02, 25.01, 25.02, 26.01, 26.02, 28.03 (portion), and 44. Eligible neighborhoods include: Adams North, Azalea/Hollywood Park, Castle, Cherokee Point, Corridor Fairmount Park, Fairmount Village, Kensington, Normal Heights, North Park, South Park, Swan Canyon, Talmadge, Teralta East, Teralta West, and University Heights. Council District 3 also includes the City Heights Redevelopment Project Area and the North Park Redevelopment Project Area.

For FY 2009, the Project area will consist of the following neighborhoods in City Heights: Teralta West (CT 22.02), Teralta East (CT 23.02), Castle (CT 24.02), South Castle (CT 25.01), Fairmount Village (CT 26.01), and Swan Canyon (CT 26.02). These neighborhoods have a high incidence of Substandard Housing (7 cases), Illegal Garage Conversions (11 cases), Illegal Dwelling Units (3 cases), Illegal Storage (9 cases), and vacant properties (13 cases).

- B. Eligible census tracts in **Council District 4** include: 27.06, 30.04, 31.01, 31.03, 31.11, 31.12, 32.01, 33.01, 33.02, 33.03, 34.01 (portion), 34.03, 34.04, 35.01, and 35.02. Eligible neighborhoods include: Chollas View, Encanto, Lincoln Park, Mountain View, Mt. Hope, Oak Park, Paradise Hills, Ridgeview, Skyline, Valencia Park, and Webster. Council District 4 also includes two redevelopment project areas, Central Imperial and Mt. Hope.

For FY 2009, the Project area will consist of the following neighborhoods: Chollas View (CT 34.04), Lincoln Park (CT 33.02), Mountain View (CT 35.01, 35.02 33.01, 33.03), and Encanto (30.04). These neighborhoods have a high incidence of Substandard Housing (8 cases), Illegal Garage Conversions (27 cases), Illegal Dwelling Units (4 cases), Illegal Storage (22 cases), and vacant properties (5 cases).

- C. Eligible census tracts in **Council District 6** include: 86, 87.01, and 88 in Linda Vista. Linda Vista also includes the Linda Vista Redevelopment Project Area.

For FY 2009, the Project area will consist of the above mentioned census tracts. These census tracts have a high incidence of Substandard Housing (4 cases), Illegal Garage Conversions (3 cases), and Illegal Storage (11 cases).

- D. Eligible census tracts in **Council District 7** include: 27.09 and 27.10. Eligible neighborhoods include: Fox Canyon, Islenair, and a portion of Chollas Creek.

For FY 2009, the Project area will consist of the above-mentioned census tracts. These census tracts have a high incidence of Illegal Garage Conversions (11 cases) and Illegal Storage (8 cases).

- E. Eligible census tracts in **Council District 8** include: 40, 41, 45.02, 46, 47, and 48.

For FY 2009, the Project area will consist of Sherman Heights (CT 47) and Grant Hill (CT 48). These neighborhoods have a high incidence of Substandard Housing (15 cases), Illegal Garage Conversions (3 cases), Illegal Dwelling Units (13 cases), and Illegal Storage (30 cases). In addition NCCD plays a large role in protecting the Sherman Heights and Grant Hill historic districts. The Sherman Heights community contains the largest concentration of historical structures in the City of San Diego. In Grant Hill there are fewer historical structures, but there is still the need to preserve and maintain these structures as cultural elements for future generations.

**Exhibit A** includes a street map of each Project area for FY 2009.

## **II. Criteria Used in Determining Whether an Area is Deteriorating or Deteriorated**

The low to moderate income census tracts are the baseline criteria used to establish the Project area. Other factors include the existence of redevelopment project areas, substandard housing conditions, illegal construction, the presence of vacant and abandoned structures, and a higher incidence of visual blight. Typical conditions contributing to visual blight include: excessive or non-incidental storage violations, graffiti, illegal business uses in residential zones, and dilapidated or un-permitted structures. Typical substandard housing conditions include: inoperable plumbing fixtures including hot and cold running water, broken electrical fixtures, exposed or un-permitted electrical wiring to or within residential dwellings, over-flowing or inadequate sewer receptacles, and a lack of exterior weather protection.

Each of the census tracts within the Project areas has a high number of rental units occupied by low income and moderate income tenants. In addition, the Project areas have a higher than normal number of code enforcement cases, a higher than normal frequency of visual blight, and a greater potential for substandard housing conditions. **Exhibit B** of this document contains representative photographs of visual blight and substandard housing conditions in some of the Project areas.

As is typical in most low income neighborhoods, the Project areas do not generate enough complaints for reactive code enforcement alone to stem the tide of deterioration. The Project is

primarily intended to assist neighborhood residents and/or owners in removing slum and blight conditions on a spot basis, eliminate substandard housing conditions, and improve the livability and vitality of the identified deteriorating neighborhoods.

### **III. Code Enforcement Activities.**

Code Enforcement activities utilizing CDBG funds are primarily intended to ensure the health and safety of low and moderate income residents and to eliminate visual blight. Code Enforcement staff will utilize a two element approach with an emphasis on eliminating substandard housing conditions. The first element will require Staff to contact property owners on behalf of low-mod income tenants to inspect rental units and discuss housing related violations. Property owners found to be in violation will be given a reasonable amount of time to voluntarily comply with local codes before being subjected to fines and penalties.

Concurrently, the second element will address visual blight and other quality of life issues including vacant and unsecured structures, storage related violations, graffiti, illegal uses, and dilapidated or un-permitted structures. As with element number one, property owners found to be in violation will be given a reasonable amount of time to voluntarily comply with local codes before being subjected to fines and penalties. All of these code enforcement activities are typically directed at property owners and not low income residents, however, some low-mod income residents may occasionally be found to be in violation of local codes. In such cases, these residents, like the property owners, will be provided reasonable time to correct the violations. In all cases, both property owners and residents will be provided with prior notice before any inspections are conducted. Pro-active inspection sweeps will be scheduled and performed with input from recognized community groups and other agencies identified as partners in the Project.

NCCD expects each staff member to initiate approximately 5 new cases per week and estimates approximately 1200 to 1500 new cases per year for the entire Project. NCCD's performance measures include issuing formal notices to 80% of all new cases within 30 days of the initial inspection and resolving 80% of all new cases within 180 days of the initial inspection.

### **IV. Partnerships and Strategy to Arrest the Decline in Project Areas**

The following groups have been identified as partners in the Project:

- A. **San Diego Police Department.** The San Diego Police Department's main function will be to assist NCCD inspectors with field inspections where there is known criminal activity (narcotics, gang activity, burglaries, theft, shootings, etc.). There are usually two officers per Project area that serve as SDPD contacts, however, NCCD maintains regular contact with other officers assigned to neighborhoods within the Project areas.

SDPD will send referrals for cases to be opened on properties that are substandard, abandoned, and have serious code violations. Serious code violations include: un-permitted structures being used for habitable space; vacant and un-secured structures; the

operation of auto repair shops in residential zones; plumbing, electrical, and mechanical violations; industrial/commercial uses in residential zones; and large amounts of outdoor storage.

SDPD will also provide NCCD with crime stats and reports of calls for service to those neighborhoods within the Project areas. With this information, NCCD can better assess what type of tenants and/or property owners NCCD will be dealing with, and the type of remedies that will be offered.

In general, SDPD's Community Service and Patrol Officers will also be the eyes and ears for identifying substandard properties in the Project areas. They will also assist NCCD to identify cases that should be treated with high priority due to nuisance conditions. NCCD will meet with a representative from the SDPD on a regular basis to discuss cases, issues, concerns, and remedies.

- B. **Office of the City Attorney.** The City Attorney's office (criminal division) will provide assistance in prosecuting those cases where voluntary compliance cannot be achieved, where administrative remedies fail, or cases involving repeat violations.
- C. **Environmental Services Department.** The Environmental Services Department will assist NCCD with trash, debris, and solid waste cases on private property, and with storage items, trash, debris and solid waste within the public right of way. In addition, ESD will partner with NCCD to coordinate neighborhood clean-ups in the Project areas. These activities provide both tenants and property owners an opportunity to cleanup properties without paying fees, and the ability to dispose of oversize items that would otherwise sit in yards and alleys creating an attractive nuisance.
- D. **City of San Diego: Redevelopment Agency.** This agency funds projects and/or programs that serve residents within the Project areas. Attached is a spreadsheet (**Exhibit C**) that further describes the public and private investment for the Project areas.
- E. **City of San Diego: Engineering and Capital Project Department.** This department funds various capital improvement projects that strive to improve the infrastructure, public facilities, and parks for residents within the Project areas. Attached is a table (**Exhibit D**) that further describes the public investment for the Project areas.
- F. **San Diego Housing Commission.** This agency funds housing rehabilitation projects to improve the housing stock in the Project areas. Attached is a program description (**Exhibit E**) of those activities.
- G. **Linda Vista Community Planning Group.** The Planning Group will provide information and referral services to residents and property owners in the Project area and include a volunteer program to assist in neighborhood clean-ups and dissemination of public service information.

**H. City Heights Community Development Corporation.** The CHCDC will provide information and referral services to residents and property owners in the Project area.

**V. Eligible Budget Items**

CDBG funds will be used to pay salary and fringe for 4.5 Zoning Investigator II's and one Combination Building Inspector II. Each Zoning Investigator II position is funded at \$96,384.54 (\$60,881.33 salary + \$35,503.21 fringe). The Combination Building Inspector II position is funded at \$99,762.08 (\$66,583.14 salary + \$33,178.94 fringe). The total cost for the 5.5 positions is \$533,492.51.

**VI. Outcome Measurements and Tracking System**

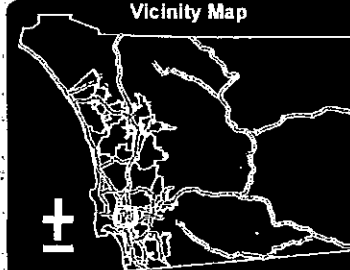
NCCD is developing a supplemental tracking system to log and maintain the status of all CDBG cases separately. NCCD will organize a separate CDBG section and maintain case files apart from the general fund reactive cases. NCCD will provide case status reports to Economic Development on a quarterly basis. The reports will include numbers of inspections made and the associated locations, as well as the number and type of remedies utilized to gain compliance. The report will identify the number of cases opened and closed and provide a comparison between the actual numbers and the numbers projected within the NCCD's performance measures.

# Council District 3

-  District 3
-  Freeway
-  Major Roads
-  District 3 Census Tracts
-  Census Tracts

0 1,500 3,000 6,000 Feet  
1 inch equals 3,500 feet

## Vicinity Map



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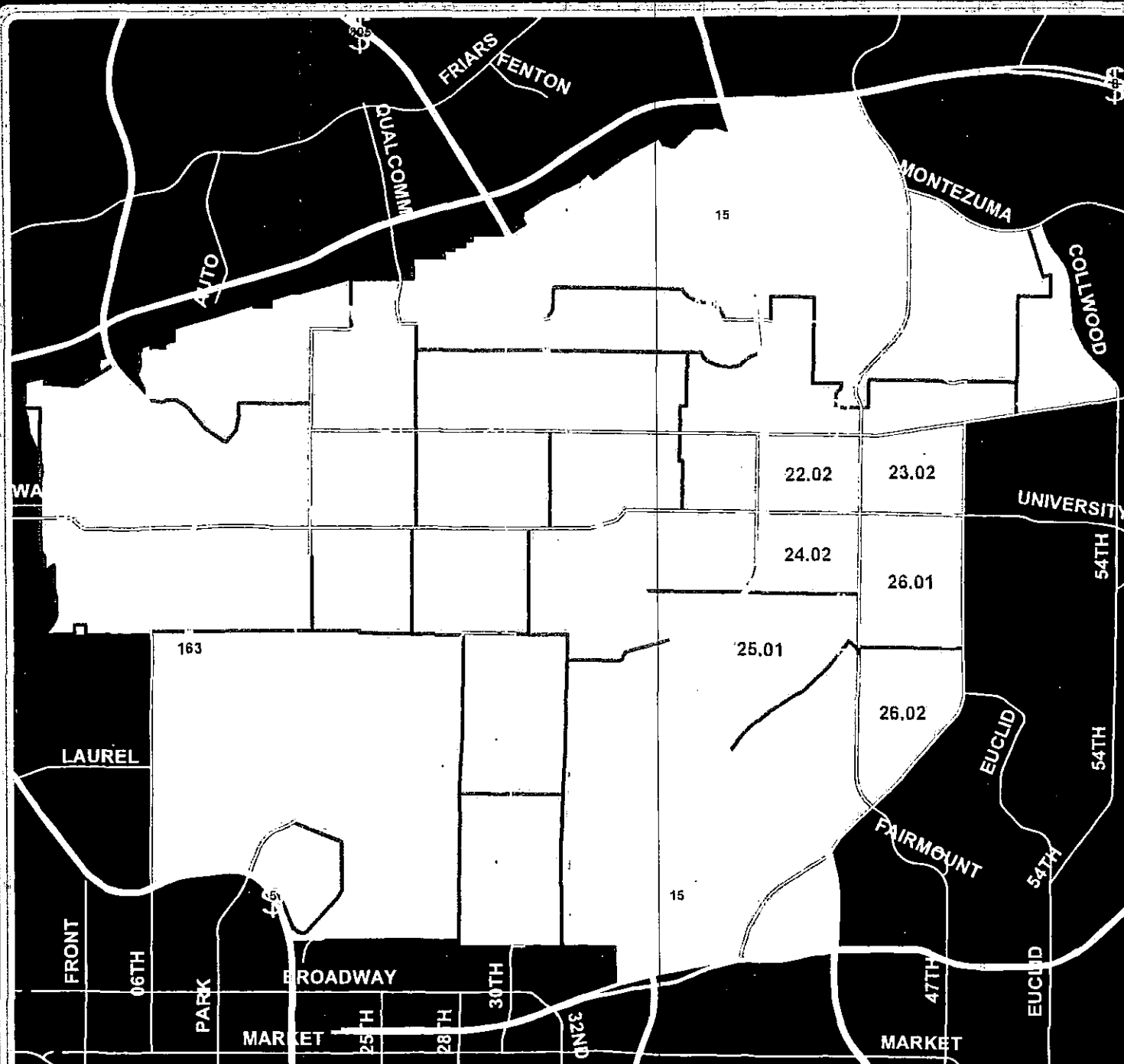
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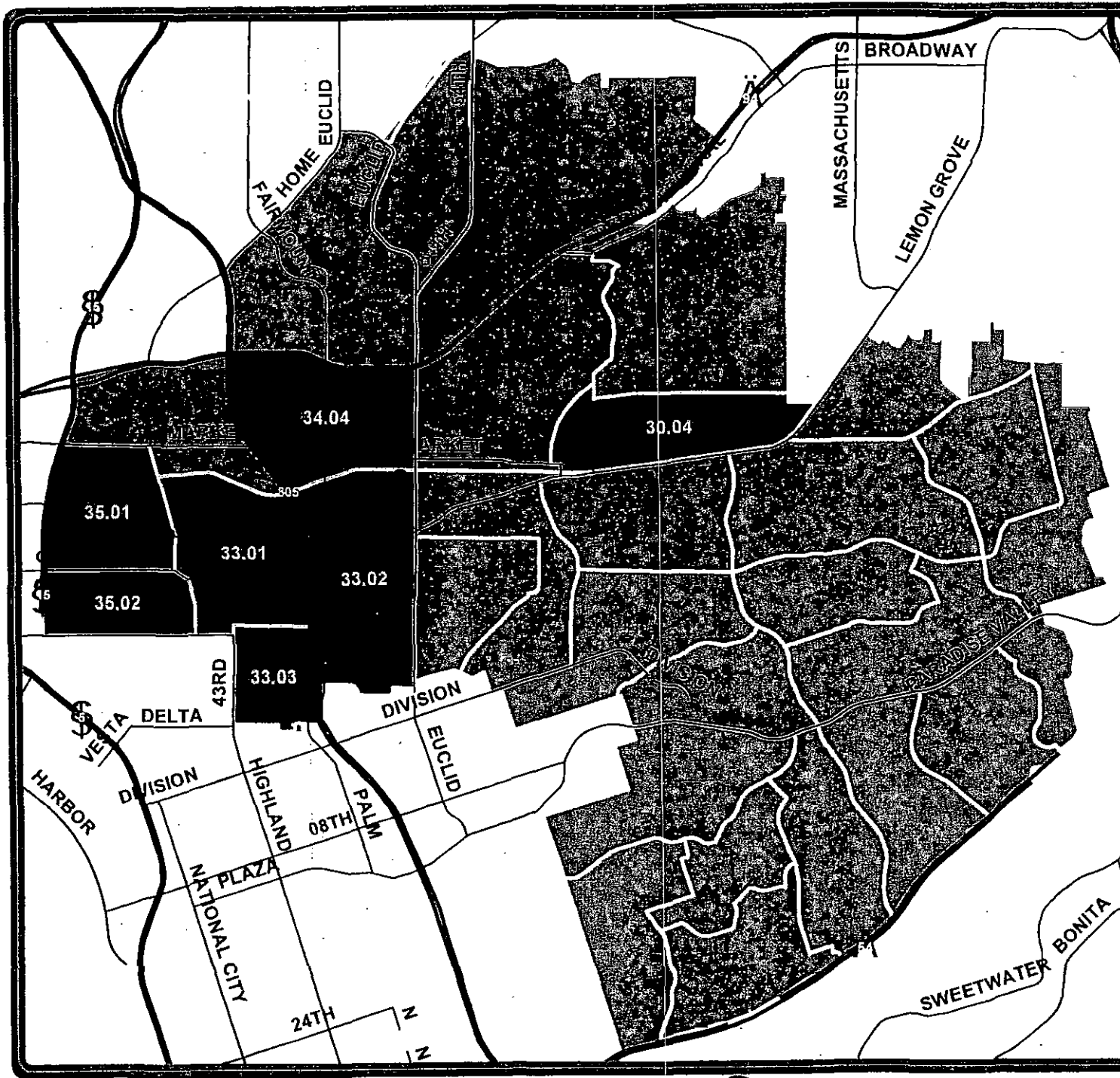
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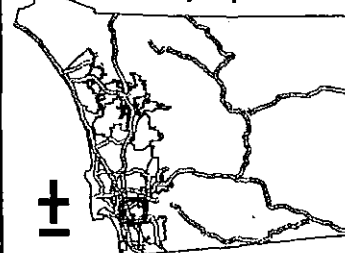


## Council District 4

- District 4
- Freeway
- Major Roads
- District 4 Census Tracts
- Census Tracts

0 1,700 3,400 6,800 feet  
1 inch equals 4,000 feet

### Vicinity Map



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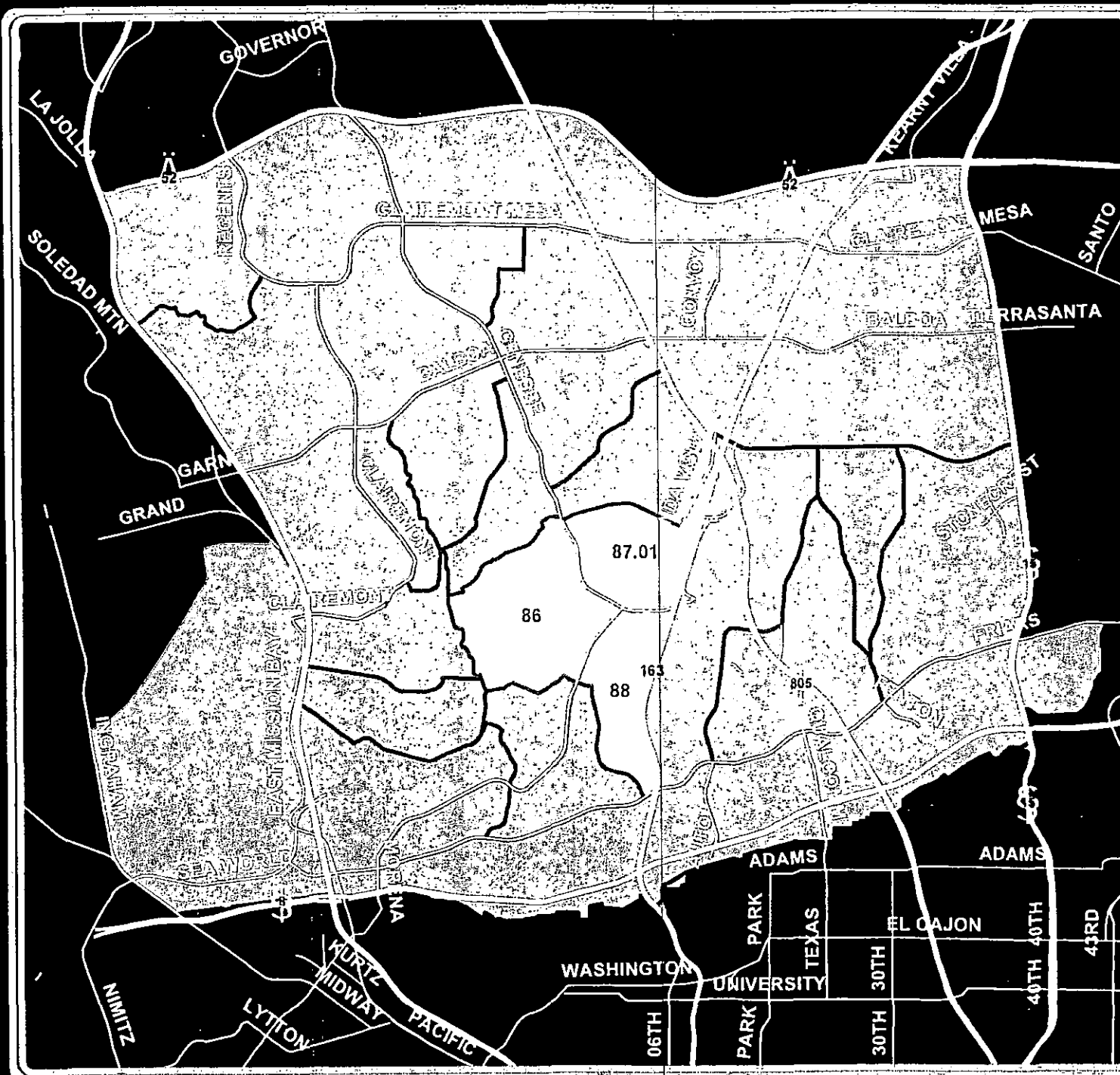
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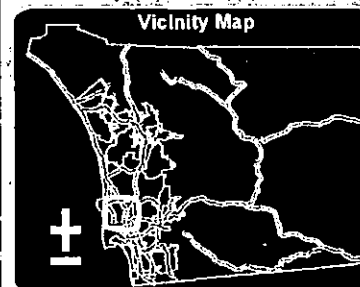




## Council District 6

- District 6
- Freeway
- Major Roads
- District 6 Census Tracts
- Census Tracts

0 2,375 4,750 9,500 Feet  
1 inch equals 5,500 feet



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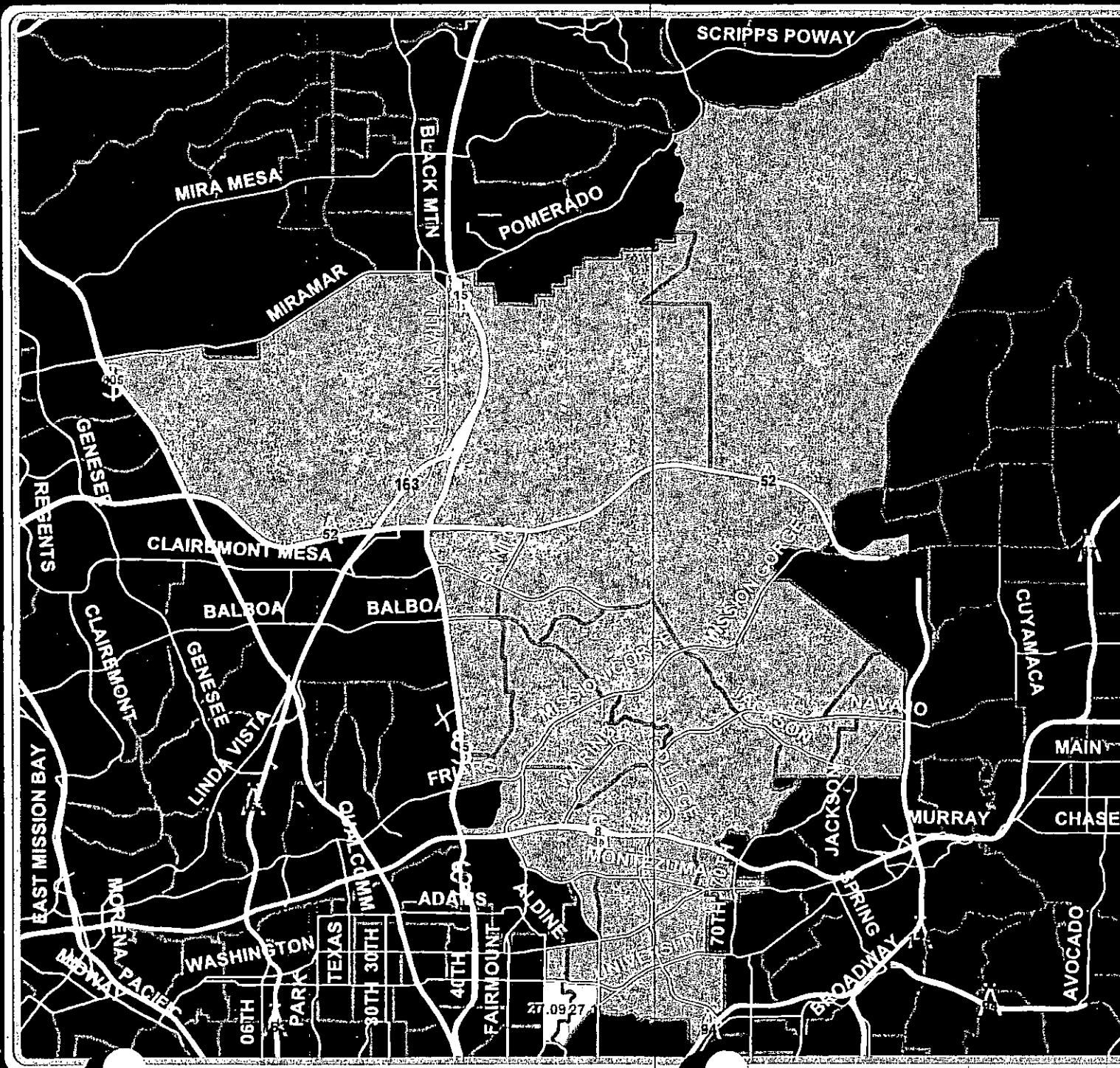
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## Council District 7

- Council District 7
- Freeway
- Major Roads
- District 7 Census Tracts
- Census Tracts

0 4,400 8,800 17,600 Feet  
1 inch equals 10,000 feet

### Vicinity Map



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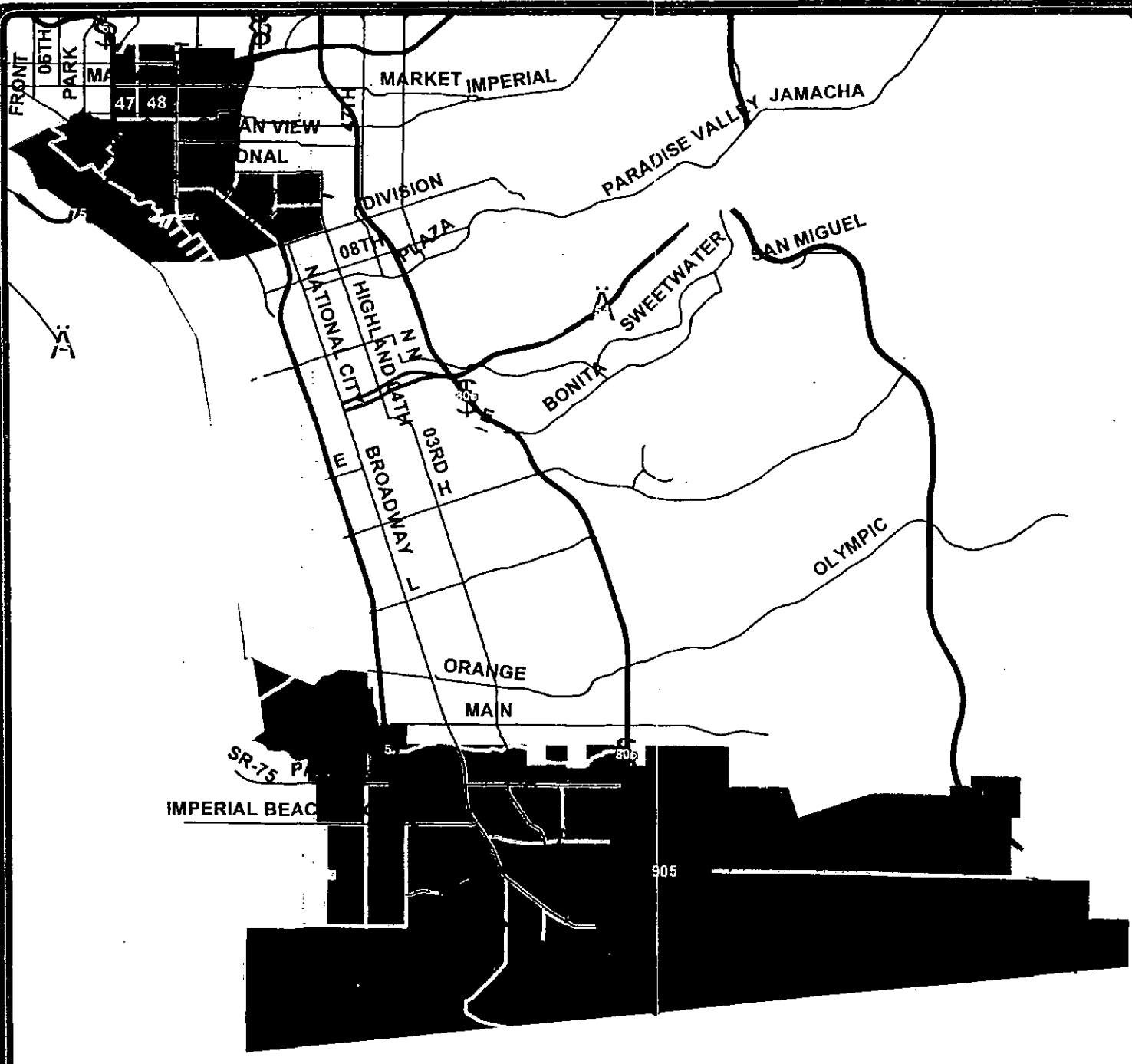
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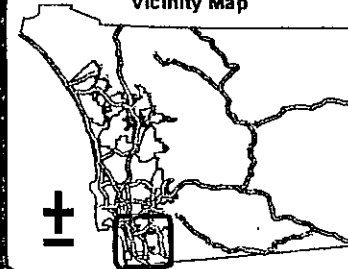


# Council District 8

- District 8
- ~ Freeway
- ~ Major Roads
- District 8 Census Tracts

0 4,000 8,000 16,000 Feet  
1 inch equals 9,187 feet

## Vicinity Map



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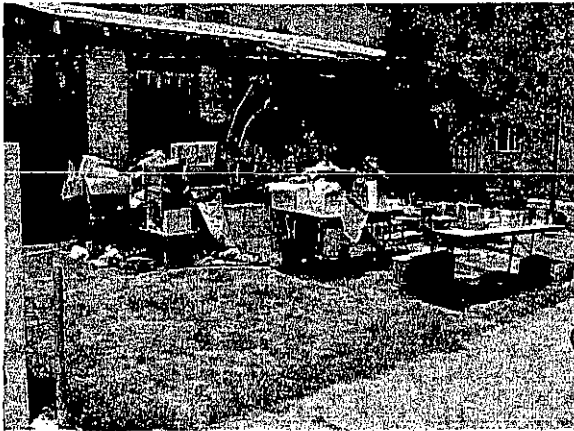
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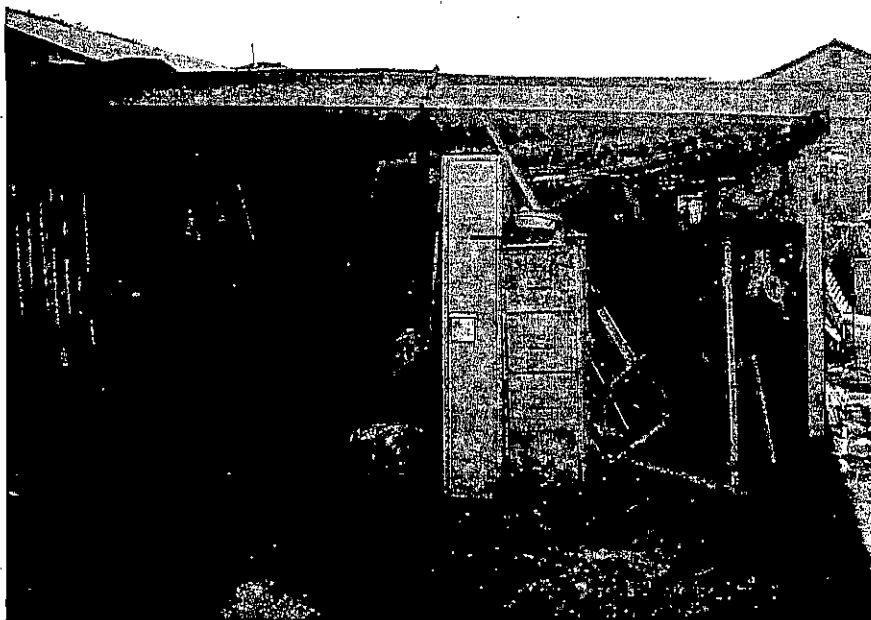
## EXHIBIT B

The following two cases are representative of typical visual blight conditions that will be a code enforcement priority. The premises of these properties are littered with junk and debris both inside and out.

Case A

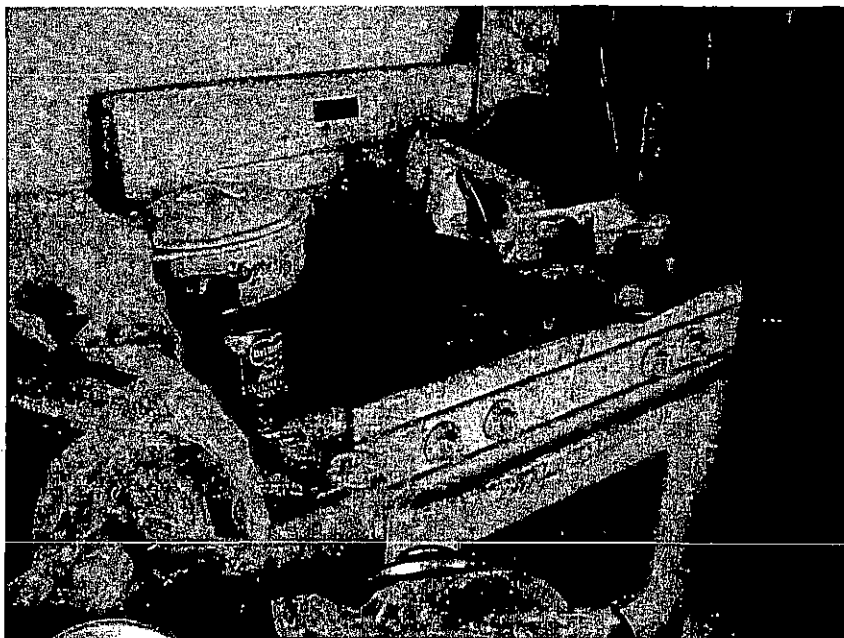


Case B



### Case C

This case is representative of some of the most severe substandard housing conditions in the target areas.



# Redevelopment Projects/Program

EXHIBIT C

PROJECT/PROGRAM	PROJECT AREA/ COUNCIL DISTRICT	STAFF	GENERAL DESCRIPTION	TOTAL PROJECT COST	POTENTIAL AGENCY FUNDING
1. <b>Card Marketplace Pilot Village Phase I @ El Cajon Blvd/40th St</b>	City Heights CD 3	Jim Davies Melissa Garcia	* Has vision of high density mixed-use development in both Phases I and II. * Multi-story commercial, office, for sale and rental residential housing. * Final Vision hopes to be pedestrian friendly.	TBD	\$15-30M
2. <b>Pilot Village Phase II @ El Cajon Blvd/Central Ave</b>		Melissa Garcia	* In the conceptual stages and there is no project currently under review.	TBD	TBD
3. <b>Standard Plumbing Site @ University/40th St</b>	City Heights CD 3	Melissa Garcia	* Mixed-use development with office condominiums, residential condominiums and retail development. * Consists of approximately 2.5 acres located on the south side of Univ. Ave. between 40th and 38th Street.	TBD	TBD
4. <b>CH Passio Project - ENA</b>	City Heights CD 3	Melissa Garcia	* Exclusive Negotiation Agreement with City Heights Passio LLC for a proposed mixed-use development to include residential and commercial.	TBD	TBD
5. <b>City Heights Square/Office-Retail @ Fairmount/University - DDA</b>	City Heights CD 3	Jim Davies Melissa Garcia	* Four-story office and retail development in partnership with San Diego Revitalization Corporation. * Proposed project has changed to 5-story retail & residential with 173,000 sqft with 26,500 sqft ground floor retail and underground parking	TBD	\$3.3M
6. <b>City Heights Square - La Maestra Site</b>	City Heights CD 3	Melissa Garcia	* Project will provide a variety of community services/amenities such as office and retail space, housing for seniors, a medical clinic and a 5,948 square foot pocket park.	TBD	N/A
7. <b>City Heights Square - Chelsea Senior Housing Project - DDA, Under construction</b>	City Heights CD 3	Melissa Garcia	* Consists of 151 senior units with a comprehensive support program for very low and extremely low income residents. * Construction began in 2006.		\$9.1M
8. <b>City Heights Square Pocket Park - DDA</b>	City Heights CD 3	Karina Danek Melissa Garcia	* The Redevelopment Agency is funding land acquisition and improvements for a pocket park in the City Heights Square block.		750K
9. <b>Face Lift/Project Clean</b>	City Heights CD 3	Michele St. Bernard Karina Danek	* Spruce up a block in a day. Improvements made to owner-occupied units within the CH Project Area with priority given to senior citizens, disabled persons and low-income families.	\$150,000	\$120,000
10. <b>Auburn Park Apartments @ 62nd/University Housing Project - DDA</b>	City Heights CD 7	Michele St. Bernard Melissa Garcia	* \$22.4 million redevelopment project will continue to enhance the vitality of City Heights. * 69 unit housing development designed for very low and low income families earning from 30 to 80 percent AMI. * A 25,000 square foot park owned and maintained by the private development, but will be available to the public. Features 24 hour security.	\$22.4M	\$8.4M
11. <b>City Heights Adopt-A-Block/ Front Improvement Program for Development Project Areas</b>	City Heights CD 3/7	Melissa Garcia Karina Danek	* The purpose of this Project is to enhance and revitalize the section of University Avenue between I-15 and 43rd Street, using similar architectural elements, which would create a more cohesive business community.	Agency funds leveraged with SIP funds and property/business owner funds.	\$190,000
12. <b>Chiflow Tower</b>	City Heights CD 7	Melissa Garcia		\$225,000	225,000
13. <b>Silverado Ballroom</b>	City Heights CD 7	Melissa Garcia	* Received proposals from Economic Consultants for work on this project. * Drafting Letter of Engagement for ERA's services on this project * ERA is engaged. Waiting on OK from property owner to set up kick off meeting.		TBD
17. <b>60th &amp; University Mixed-Use Project</b>	City Heights CD 7	Melissa Garcia	* Mixed-use development that will include retail, office and residential on the east side of 60th Street and South side of University Ave.	TBD	TBD
18. <b>Rescue Mission Site</b>	City Heights CD 7	Jim Davies Melissa Garcia Elana Barrios		TBD	TBD
20. <b>Home in the Heights First Time Homebuyer Assistance</b>	City Heights CD 3, 4/7	Michele St. Bernard	* A partnership between the Redevelopment Agency and Community Housing Works (CHW). * A first time homebuyer loan for first time home loan program. Up to a \$30,000 loan for City Heights families earning 80 percent AMI.	Agency funds leveraged with others.	\$2,276,768
21. <b>Housing Rehab Program</b>	City Heights CD	Michele St. Bernard	* The program is designed to provide loans for interior and exterior home improvements to owner occupants of the Redevelopment Project Area. * Max loan for interior \$ 15,000. * Max loan for exterior \$ 10,000.	Agency funds leveraged with others.	\$2,335,000
22. <b>Mid-City Crime Reduction Initiative (Cameras)</b>	City Heights CD	Melissa Garcia	* Contribution of \$70,000 from the City Heights Redevelopment Project Area to the San Diego Police Department for a Wireless Video Surveillance System.		\$70,000
25. <b>Able-Disabled</b>	City Heights CD	Melissa Garcia	* Pairs youth w/o disabilities and youth w/ disabilities to work together on low-income housing rehab projects.		\$30,000
26. <b>Colina Park North Acquisition/Rehabilitation Project</b>	City Heights CD 3	Melissa Garcia Michele St. Bernard	* 164 Unit Market Rate Project. * Proposal to acquire, rehabilitate, and restrict units.	\$3.4M	\$1M
27. <b>City Heights BID Bus Shelter Program</b>	City Heights CD 3	Melissa Garcia	* Request for funds to purchase and install 20 bus shelters and benches in City Heights along University Avenue.	\$142,605	\$142,605
28. <b>Azalea Park Expansion</b>	City Heights CD 3	Melissa Garcia	* Request for funds to develop a parcel adjacent to Azalea Park with turf and irrigation.	Approx. \$550K-\$700K	\$150,000
29. <b>City Heights Streetlights</b>	City Heights CD 3	Melissa Garcia	* Result of Agency demand for repayment of funds from the Price Office and Town home project.	\$95,783	\$95,783
30. <b>Aquatic Adventures</b>	City Heights CD 3	Melissa Garcia	* Request for funds to improve the Canyons in City Heights.	\$135K	\$144K
31. <b>Linda Vista Housing Rehab Program</b>	Linda Vista	Libby Michele St. Bernard Kendall Berkey	* Established in 2005, this loan program provides low interest \$10,000 loans to qualified homeowner occupants in the Linda Vista Community Planning Area. Originally it was quite restrictive only going to pre 1950 homes. It is going to be revised in cooperation with the LV Cmte Plng Grp Ad Hoc Cmte to expand to more recent homes and additional funds.		LV Housing Set-aside TI

# Engineering & Capital Projects Department Active CIP Projects

## Neighborhood Code Compliance CIP Projects in CDBG Eligible Census Tracts

CD No.	Census Tract No.	Project Title	Status	Project Estimate	Senior Engineer	Project Manager
3	22.02	Pipeline Rehab - Phase C-1	Construction	\$12,600,000.00		Nasrawi
3	22.02	Sewer Group 774	Design	\$2,663,360.00	Nassar	Del Rincon
3	22.02	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
3	22.02	Sewer & Water Group 684A	Design	\$5,264,147.00	Spier	Owen
3	23.02	Sewer & Water Group 685	Design	\$4,507,608.00	Spier	Owen
3	23.02	Sewer Group 774	Design	\$2,663,360.00	Nassar	Del Rincon
3	23.02	Sewer & Water Group 780	Design	\$1,409,000.00	Spier	Batta
3	23.02	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
3	24.02	Otay 2nd PL CI Repl (Water Dept)	Design	\$13,776,998.00	Conner	Liaghat
3	24.02	Sewer & Water Group 684A	Design	\$5,264,147.00	Spier	Owen
3	24.02	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
3	25.01	Pipeline Rehab PH D-1 (Metro)	Planning	\$5,000,000.00	Sherry	Marshall
3	25.01	Sewer & Water Group 683A	Design	\$5,151,967.00	Spier	Owen
3	25.01	Sewer & Water Group 685	Design	\$4,507,608.00	Spier	Owen
3	25.01	Sewer Group 787	Design	\$8,013,718.00	Spier	Owen
3	25.01	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
3	26.01	Pipeline Rehab PH D-1 (Metro)	Planning	\$5,000,000.00	Sherry	Marshall
3	26.01	Otay 2nd PL CI Repl (Water Dept)	Design	\$13,776,998.00	Conner	Liaghat
3	26.01	Sewer & Water Group 685	Design	\$4,507,608.00	Spier	Owen
3	26.01	Sewer & Water Group 770	Design	\$1,920,420.00	Spier	Owen
3	26.01	Sewer & Water Group 780	Design	\$1,409,000.00	Spier	Batta
3	26.01	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
3	26.02	Pipeline Rehab PH D-1 (Metro)	Planning	\$5,000,000.00	Sherry	Marshall
3	26.02	Sewer & Water Group 770	Design	\$1,920,420.00	Spier	Owen
3	26.02	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
3	26.02	Sewer Group 787	Design	\$8,013,718.00	Spier	Owen
6	86.00	East Clairemont Trunk Sewer #36	Planning	\$4,552,279.00	Whittemore	Rastakhiz
6	86.00	Pipeline Rehab PH D-1 (Metro)	Planning	\$5,000,000.00	Sherry	Marshall
6	86.00	Tecolote Canyon Trunk Sewer #8	Design	\$17,844,029.00	Whittemore	Rastakhiz
6	86.00	Water Group 743A	Construction	\$3,182,000.00	Gamboa	Dungca
6	86.00	Water Group 909 CI - Phase I	Planning	\$3,970,192.00	Nassar	Del Rincon
6	86.00	Water Group 909 CI - Phase II	Planning	\$3,985,685.00	Nassar	Del Rincon
6	86.00	Manning Canyon (LV)	Design	\$1,045,012.00	Gamboa	Abbey
6	87.01	Water Group 789 (LV)	Design	\$4,943,243.00	Gamboa	Dungca
6	88.00	Pipeline Rehab - Phase C-1	Construction	\$12,600,000.00		Nasrawi
6	88.00	Water Group 789 (LV)	Design	\$4,943,243.00	Gamboa	Dungca
7	27.09	Pipeline Rehab PH D-1 (Metro)	Planning	\$5,000,000.00	Sherry	Marshall
7	27.09	Otay 2nd PL CI Repl (Water Dept)	Design	\$13,776,998.00	Conner	Liaghat
7	27.09	Sewer & Water Group 685	Design	\$4,507,608.00	Spier	Owen



## EXHIBIT D

7	27.09	Sewer & Water Group 770	Design	\$1,920,420.00	Spier	Owen
7	27.09	Sewer & Water Group 781	Design	\$2,674,115.00	Spier	Batta
7	27.09	Water Group 787 CI	Planning	\$10,702,059.00	Nassar	Del Rincon
7	27.10	Otay 2nd PL CI Repl (Water Dept)	Design	\$13,776,998.00	Conner	Liaghat
7	27.10	Sewer & Water Group 781 (CH)	Design	\$4,848,036.00	Spier	Batta
8	47.00 & 48.00	Water Group 793	Design	\$5,926,632.00	Gamboa	Dungca

## HOUSING REHABILITATION PROGRAMS IN CITY OF SAN DIEGO Administered by the San Diego Housing Commission

The Housing Commission, along with the Redevelopment Agency, the Centre City Development Agency, and the Southeastern Economic Development Corporation, have loaned approximately \$45 million in federal, state, and local funds during the past 10 years to affordable housing rental development projects within the targeted census tracts. These funds, leveraged by over \$50 million in multifamily housing revenue bonds, have provided for the acquisition, rehabilitation, and new construction of at least 44 affordable developments yielding more than 1,600 rental units restricted to households earning significantly less than 80 percent of the Area Median Income. The units serve small and large families, seniors, the chronically mental ill, and those at risk of becoming homeless.

In addition, approximately 350 housing units, funded until recently by the federal public housing subsidy, are occupied by low-income residents in these targeted neighborhoods. Finally, since 2000, 650 units (both owner-occupied and rentals) were rehabilitated in the listed CDBG census tracts using \$7,800,000 consisting of the following source of funds: Local Housing Trust Funds, federal HOME funds, HUD Lead Control and Demo Grants, State CalHome EAGR funds (bonds), Redevelopment tax increment housing set-aside funds, and private funds, including owners'.

### Citywide Programs:

1. 0% Deferred Payment Loans up to \$20,000, or \$25,000 if lead paint hazards exist, available for one-unit residential properties occupied by very low-income homeowners (under 60% Area Median Income (AMI)) for elimination of health and safety hazards and code violations.
2. 1% Deferred Payment Loans up to \$35,000 for one unit, or \$50,000 for 2-4 unit, owner-occupied properties occupied by owners earning less than 80% AMI for elimination of health and safety hazards and code violations.

Funding sources for the above two programs are:

Local Housing Trust Fund, average \$1,000,000 annually for citywide usage, and Federal HOME funds, average \$500,000 annually citywide.

3. In addition to the above programs, the Housing Commission for the past three years has offered Lead Hazard Control Grants citywide totaling \$7,000,000 over a three year period funded by two HUD Lead Hazard Control and Demonstration Grants. This program is closing shortly since funds have been

committed. The Housing Commission has applied for two new similar grants on July 1, 2008, which, if awarded would become effective November 1, 2008 for \$7,000,000 and would be available to owner-occupied or rental properties constructed prior to 1978 and occupied or frequently visited by children under six years of age. There are non-repayable grants up to \$10,000 for one unit properties or \$5,000 per unit in multi-unit properties, plus \$5,000 for common areas to be used to eliminate lead paint hazards.

**Targeted Area Programs:**

In addition to the above three programs available in all census tracts, Housing Enhancement Loan Programs (HELP) are, or will be available in FY09 in the following Redevelopment Areas covering the census tracts you provided:

4. City Heights Redevelopment HELP loans have been available since 2003 for one- and two-unit residential properties occupied by low and moderate income homeowners earning up to 100% AMI. Deferred payment loans are offered up to \$25,000. Beginning in September 2008, this can be supplemented with an additional \$5,000 for energy and water conservation improvements, and can be used to eliminate health and safety hazards, code violations, and exterior enhancement. Loans are forgiven over a ten year period conditioned on continued owner-occupancy, no further loan encumbrances or sale. Funding is \$1,000,000 annually from tax increment housing set-aside funds. This program is available in the following census tracts that you listed: 16, 17, 22.01, 22.02, 23.01, 23.02, 24.02, 24.02, 25.01, 25.02, 26.01, 26.02.

5. Southeastern Redevelopment HELP loans are proposed in September 2008 to be available in SEDC's Area of Influence in most of southeast San Diego for one- or two-unit residential properties occupied by low and moderate income homeowners earning up to 100% AMI. Deferred payment loans are offered up to \$20,000, plus \$10,000 for energy and water conservation improvements, and can be used to eliminate health and safety hazards, code violations and exterior enhancement. Loans are forgiven over a ten year period conditioned on continued owner-occupancy, no further loan encumbrances or sale. Beginning in September 2008, the annual funding starts out at \$1,000,000 from tax increment housing set-aside funds. It will be available in the following census tracts that you listed: 33.01; 33.02; 33.03; 34.03; 34.04; 35.01; 40, 41, 46.